# FACING THE CHALLENGE: IMPLEMENTING THE DEFENSE INTEGRATED MILITARY HUMAN RESOURCES SYSTEM

BY

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### USAWC STRATEGY RESEARCH PROJECT

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by

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U.S. Army War College CARLISLE BARRACKS, PENNSYLVANIA 17013

### **ABSTRACT**

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Is the Defense Integrated Military Human Resources System (DIMHRS) the answer to the long standing personnel and pay problems in the U.S. military? This project will examine the reasons behind the Department of Defense's (DOD) decision to develop the first integrated, all service, all component personnel/pay system followed by an assessment of the value added along with potential problem areas and limitations associated with this monumental undertaking. Scheduled for implementation on 1 October 2008, the question remains, "Is the development and implementation of this system the correct course of action?"

# FACING THE CHALLENGE: IMPLEMENTING THE DEFENSE INTEGRATED MILITARY HUMAN RESOURCES SYSTEM

There is no more important mission than to deliver the best support we can for the warfighters—the men and women in uniform serving our nation—while balancing that support with strong stewardship of the American taxpayer's hard-earned dollar. This is a mission we embrace. In it we must not, we cannot, fail.<sup>1</sup> - Major General Carlos "Butch" Pair, Armed Forces Comptroller

In a December 2003 Newsweek Web Exclusive titled "War Stories: Unhappy Holidays," it depicts the struggles of military families having to cope while their loved ones are away during the holiday season. In this article, it cites a Department of Defense (DOD) survey indicating soldiers who were deployed said "their No. 1 concern was not getting killed, but their family finances." Significant problems with personnel records and pay for Soldiers, Sailors, Airmen and Marines have continued to exist in the U.S. military as a result of the complexities of the current military personnel and pay systems. Following Operations Desert Shield/Desert Storm, these problems resurfaced to a magnitude that could not be ignored. As a result of these discrepancies, the Government Accounting Office (GAO) conducted an assessment of the situation with proposed solutions to resolve these long standing personnel and pay system problems. These GAO findings produced a recommendation to the Secretary of Defense to instruct the Acting Secretary of the Army and the Acting DOD Chief Financial Officer to develop an interim interface between payroll and personnel with the ultimate goal of integrating the two systems.3 In addition, the report also recommended that the Secretary of Defense require the Service Secretaries and the Defense Finance and Accounting Service (DFAS) Director to incorporate a basic system with standard requirements into the Joint Service Software (JSS) system.<sup>4</sup>

After almost 15 years of planning and development, the GAO recommendation will become reality. Projected for an Initial Operational Capability (IOC) date of October 1, 2008, the U.S. Army will be the first of all services to implement the first fully integrated, all service, all reserve component integrated personnel/pay system. The system, known as the Defense Integrated Military Human Resources System (DIMHRS), pronounced "dime ehrs," was described by the former Deputy Secretary of Defense Paul Wolfowitz, as "...the vehicle through which the Department will transform military personnel and pay management. It will be the modern, responsive system that supports commanders, the Services, and Service members and their families in the 21st Century."<sup>5</sup> Upon implementation, DIMHRS will stand as the world's largest human resources system in existence. However, after almost fifteen years of design and development combined with resistance from the services, the question remains, "Is DIMHRS the solution to the long standing personnel and pay problems for the U.S. military?" This report will seek to provide an answer to this question by analyzing the development of DIMHRS with a focus on the added benefits of the system followed by the significant challenges and risk factors that must be overcome to achieve success prior to implementation.

A sufficient foundation for this report begins by first providing a background on the existing problems leading to the decision to develop DIMHRS. Second, an assessment of the value added and anticipated benefits of an all service, all reserve component, Commercial Off The Shelf (COTS) system will be discussed. The third portion of this research will focus on the challenges encountered during the development cycle along with anticipated challenges or resistance during implementation. A recommendation

for measures necessary to ensure success will be discussed followed by concluding remarks. It is important to begin with a description and background of DIMHRS in order to set a foundation and provide a better understanding of how this project came into existence.

### Background--Why DIMHRS?

Just as weapons systems must evolve to remain state-of-the art, so too must support systems. Leveraging the best in technology to provide Service members the best support possible is at the heart of this military personnel and pay transformation. The implications of DIMHRS are numerous and varied, ranging from compensation and benefits to health and safety, and from joint operations to career management. From a technological perspective, DIMHRS will eliminate a number of redundant systems across the Services, saving time and money. –DIMHRS Newswire<sup>6</sup>

What led to development of what will be, upon implementation, the world's largest human resources system? The inception of DIMHRS began following the 1991 Gulf War from a September 1993 GAO report titled "FINANCIAL MANAGEMENT—

Defense's System for Army Military Payroll Is Unreliable." Submitted to then Secretary of Defense The Honorable Les Aspin, it described the serious problems associated with DOD's military personnel and pay systems to include shortfalls in paying military personnel (overpayments amounting to about \$6.1 million and DFAS' inability to report and remit about \$66 million due to the Internal Revenue Service for soldiers' income, Social Security, and Medicare taxes) along with the inability to properly monitor and track personnel to, from and within their duty stations. The report exposed the long-standing problems associated with the complexities of not only the Army, but the personnel and pay systems for all military services. This led to the GAO's

recommendation for the development of an interim interface between payroll and personnel with an ultimate goal of integrating both systems.<sup>8</sup>

Following the GAO recommendations, the Secretary of Defense directed the Under Secretary of Defense (Personnel and Readiness) and the Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) to address the specific issues outlined in the report. The results led to the development of the Defense Science Board Task Force on Military Personnel Information Management. The Task Force was responsible for determining the best strategy for supporting military personnel and pay functions. It concluded, in a report published in 1996, that the service unique personnel and pay systems caused significant shortcomings in the joint environment in addition to excessive development and maintenance costs. 10

Significant shortcomings, revealed by the Task Force study, in the military personnel systems consisted of inaccurate and untimely data on deployment, mobilization and theater assets. For joint commanders, it was difficult to obtain information on the capabilities and locations of military personnel essential to operational success. For Services and Office of the Secretary of Defense (OSD) officials, it was difficult to determine the status of individuals or mobilized forces (active or reserve components). For the Service member, pay and benefits were often inaccurate and personnel records incomplete causing difficulties for not only the members but their families. These problems contributed to the damage of morale and welfare in the Services with a deep concern associated with the future retention of members in the military. To alleviate these shortcomings, the Task Force's primary

recommendation was "...a single all-Service and all-component, fully integrated personnel and pay system with common core software..."

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As a result of this recommendation, in July 1997, the Deputy Secretary of Defense established the Joint Requirements and Integration Office (JR&IO), assigning it the responsibility of oversight for the development of DIMHRS. After proceeding through an alternative analysis phase in 1998, followed by the Assistant Secretary of Defense approval of the program in October 2000, proposals were submitted for the development and integration of DIMHRS in May 2002. One year later, after numerous contract proposals, the Assistant Secretary of Defense approved the system development and demonstration phase, which included software development, integration and testing. After the development contract was awarded, DOD accepted the design of DIMHRS and authorized development of the system in November 2004.

Since November 2004, DIMHRS has experienced several delays in its development schedule due to Service uncertainties related to the capabilities of the system. These concerns revolved around the specific requirements and processes necessary to provide the appropriate support for their respective personnel. A gap analysis was conducted in order to alleviate these concerns and it was determined that DIMHRS would be able to fulfill the necessary requirements of the services. Challenges and risks related to the development and implementation efforts are critical areas warranting detailed attention to ensure DIMHRS' success. Although there are many advantages associated with DIMHRS, the creation of an integrated system has led to certain limitations in comparison to the current systems operated by the individual services and components.

### DIMHRS—Value Added

According to a GAO report on Military Pay, DOD experienced serious military personnel and pay problems affecting their ability to properly pay and monitor/track members to, from and within their duty stations. These problems can be traced to such causes as the use of hundreds of supporting information technology (IT) systems performing redundant tasks utilizing incomparable data elements, the need for manual data reconciliation, correction and entry across these non-integrated systems and the large number of data translations and system interfaces. 16 DIMHRS will address these problems with a particular focus on "providing an integrated personnel and pay system" that uses standard data definitions across all services and service components, thereby reducing multiple data entries, system maintenance, pay discrepancies, and reconciliations of personnel and pay information."<sup>17</sup> It will include many enhancements supporting more than 1.3 million Army, 590,000 Air Force, 526,000 Navy and 275,800 Marine Corps personnel for all components within each service. 18 It will also provide all service members, to include reservists and National Guard members, with accurate pay and benefits, specifically when performing in theaters of operation or combat. 19 Lastly. DIMHRS will focus on providing accurate and real time personnel data pertaining to any service member for use by their respective joint-theater commanders.<sup>20</sup>

DIMHRS will eliminate many of the longstanding problems associated with the complexities of the current U.S. military's personnel and pay systems. Published in a July 2005 article in the DIMHRS Newswire titled "Embracing Change: DIMHRS Means Transformation" it states that "DOD is leading an unprecedented transformation of military personnel and pay to provide the 21<sup>st</sup> century warfighter a 21st century human resources (HR) system that maintains the records of service, benefits and pay, while

operating at "warp" speed. DIMHRS will be a fully integrated personnel and pay system supporting every Soldier, Sailor, Airman and Marine."<sup>21</sup> Four key features—One Record of Service, Integrated System, Self-Service Functionality and Joint System Functionality highlight the many benefits of this transformation effort.

### One Record of Service

DIMHRS will provide each service member with one record that will follow them not only throughout their military career but throughout the Service Member's entire life. A single record of service will eliminate many processing errors ensuring military members and their families receive all eligible service-related benefits even after they separate or retire from the service. This feature will also eliminate many of the personnel record and pay problems experienced by service members who change services or components. It also adds a seamless transition for Reserve and National Guard personnel who might transition to active duty through a permanent status or an activated status.

Many of the pay problems highlighted in the 2004 GAO report, "MILITARY PAY Army Reserve Soldiers Mobilized to Active Duty Experienced Significant Pay Problems," will be eliminated by this feature. According to the Army DIMHRS program director, Colonel Pat Devine, the system will benefit National Guard and Army Reserve soldiers through continuity of pay when they are mobilized. "In the current environment, National Guard soldiers go through five different sites from mobilization to deployment and have to complete paperwork and be certified at each location. When DIMHRS is launched, all military pay will be handled in one system, and is coordinated with

personnel data, so problems can be avoided."<sup>25</sup> Maintaining one record of service will also benefit from the advantages of working with one integrated system.

### Integrated System

Integrating both personnel and pay systems provides many benefits to many different entities. With DIMHRS, personnel actions will automatically trigger any associated pay change eliminating many of the errors associated with manual updates using two separate systems.<sup>26</sup> An integrated system will also replace approximately 80 obsolete manpower, personnel and pay systems currently used by the four services and DFAS.<sup>27</sup> Using an integrated system for all services and components will equate to substantial savings related to development and maintenance costs as well as the costs associated with operating redundant systems.

In the area of cost savings, the Defense Science Board Task Force produced a report of the United Kingdom Personnel Administration Agency estimating a thirty percent cost savings on the maintenance of its combined personnel/pay system in its military.<sup>28</sup> Also, additional time savings will occur during the life-cycle of the system when Congressional actions and policy decision changes are required by all services.<sup>29</sup>

An integrated system also provides a tremendous advantage in the form of standard data definitions. Common data in one system will ease accountability and tracking efforts for DOD reporting while assisting joint commanders and other users of personnel information by eliminating the process of comparing many forms of data.<sup>30</sup> This concept will allow service members from any branch or component to receive human resources customer service from other Services regardless of location.<sup>31</sup>

### Self Service Functionality

DIMHRS will provide the services and their respective reserve components with an integrated personnel and pay system that will alleviate major deficiencies while providing each service member web-based, self-service capabilities 24 hours a day.<sup>32</sup> It will provide service members and their families improved customer service through a secure means to conduct self-service records reviews/updates in real time ensuring accuracy in the members' Record of Service and pay while decreasing the time necessary to complete these transactions.

This capability will ease the burden on the service member and their families.

Primarily, members in the National Guard and Reserve, who in many cases, are not collocated at their servicing base or post will greatly benefit from this enhancement. If the member is deployed without access to a computer system, family members will have the capability to make updates on their behalf.

### Joint System Functionality

The feature of Joint System Functionality will allow commanders real-time access to information for all troops under their command, regardless of branch of service or component. In today's joint environment, Combatant Commanders rely on many different personnel systems to provide personnel services for members in their command. DIMHRS will provide commanders with one system, for all services and component members, to satisfy all of their required personnel needs.<sup>33</sup> This will greatly assist the Combatant Commanders by providing the opportunity to review records for needed capabilities or resolve any personnel issues regardless of location, in addition to ensuring accountability for mobilization and demobilization transactions.<sup>34</sup>

Joint System Functionality will also track temporary duty assignments which are often not tracked in today's personnel systems. This will eliminate the discrepancies associated with accountability as well as inefficiencies related to full use of personnel assets and delays in pay and benefits related to temporary or deployed duty. Historical problems related to the capture of historical data and events impacting members' pay and benefits will be eliminated by this feature. The functionality to track all Service Members' skill sets will also allow Combatant Commanders and DOD managers to easily identify candidates with specific skill sets for mission essential operations and assignments.

### Challenges and Risks

In terms of risk and challenges, there are several areas of concern. Primary challenges have been encountered from the beginning in the form of Service resistance and perceived systems limitations along with significant DOD management challenges followed by risks associated with Enterprise Resource Planning (ERP) and COTS implementation. When implemented, it will be the largest Commercial Off The Shelf (COTS) human resources system ever attempted.<sup>39</sup> As stated by Business Transformation Agency Director, Mr. David Fisher, "The integration of previously separate databases represents a huge mind shift at DOD."<sup>40</sup> He also mentioned the "high risk" involved due in part to the sheer size of the system.<sup>41</sup> These associated challenges and risks have the potential to create second and third order negative effects in addition to increasing the risk that the system will not fully meet the Services needs.

### Service Resistance

As early as February 2005, service resistance was identified in GAO report 05189, DOD Systems Modernization. Services were reluctant to accept the change associated with establishing joint requirements that required them to make major changes in their respective processes for military personnel and pay actions. This report also stated that "DOD's organizational structure and embedded culture work against efforts to modernize business processes and implement corporate information systems such as DIMHRS across component lines. Halthough Service views related to DIMHRS were mixed, overcoming DOD's cultural resistance to department wide solutions remained intact. Later that year, The Air Force testified that DIMHRS would only provide sixty percent of its requirements while the Marines stated DIMHRS would reduce their current capabilities.

Army leadership was committed through belief in the systems ability to solve many of its current problems while the Air Force supported the system although they felt unsure the system would meet all of their needs. The Navy and Marine Corps were not as supportive. They were satisfied with the capabilities of their current systems. The Marines, completely confident with their system, produced a memorandum of agreement with the Office of the Secretary of Defense, requesting proof that DIMHRS was better than their current system in use. At that time, the Marine system was the only fully integrated personnel and pay system supporting active and reserve forces within DOD. Touted as a "near-perfect" system in a GAO report published in 2005.

As late as 2006, the Navy decided to adopt the Marine Corps Total Force System (MCTFS) but this decision was prevented by a directive published in the John Warner National Defense Authorization Act for Fiscal Year 2007.<sup>52</sup> It directed the Navy to

perform a cost analysis study between their current MCTFS and DIMHRS.<sup>53</sup> The study did not produce enough convincing evidence for the Navy and Marine Corps to continue with their own separate system and in September 2007, Defense Department Deputy Secretary England and Navy Secretary Winter decided that it would be in the best interest of DOD for the Navy and Marine Corps to accept DIMHRS.<sup>54</sup>

### Enterprise Resource Planning (ERP)

Described in a Project Management Institute study, ERP systems are "large complex COTS software packages that combine a data base with applications and built-in processes. They are designed to supplement or replace existing processes so that anyone in the company can obtain any information he or she wants about the company's current status."<sup>55</sup> The history of ERP systems is filled with stories of costly, failed attempts in the design and implementation of these massive projects. In some cases, businesses attempting to implement these systems were forced into bankruptcy. <sup>56</sup> Although highly unlikely that the United States military will experience "bankruptcy" due to the DIMHRS project, it can not afford a personnel/pay system with the inability to perform its desired function. DIMHRS will not be immune from certain problems and issues associated with previous ERP systems.

Studies have produced numerous risks and challenges associated with ERP systems. In an attempt to address these critical concerns, the top three Army DIMHRS risks associated with ERP failure will be addressed. The top three risks consist of efforts related to the projects' Schedule/Systems Integration, Data Standardization/Conversion, and Senior Leader Sponsorship and End User Acceptance.<sup>57</sup>

The first risk pertains to the coordination of the Army electronic human resources system (eHRS) and the DIMHRS Schedule/Systems Integration. <sup>58</sup> By not coordinating the transition between the two systems, problems can occur when interfacing with other systems. <sup>59</sup> The lack of coordination would also create unrealistic expectations with implementation schedules associated with inaccurate assessments of the resources and time required to achieve success. By recognizing this specific risk, leadership can create a process ensuring periodic assessments and re-assessments during the course of the project. This step towards risk management has been identified as a "critical success factor in successful project management," according to the study conducted by the Project Management Institute. <sup>60</sup>

A key step towards elimination of this risk was taken as a result of the 2006 GAO report titled "Defense Business Transformation—A Comprehensive Plan, Integrated Efforts, and Sustained Leadership Are Needed to Assure Success." This report highlighted DOD's inability to properly manage DIMHRS development. Lack of governance was identified in the form of inaccuracies in the definitions of crucial DIMHRS requirements along with DOD's inability to follow through with acquisition best practices associated with COTS systems. Fortunately, these findings led to DOD's decision to classify DIMHRS as an enterprise investment under the Business Transformation Agency (BTA), resulting in the establishment of two key entities—a DIMHRS program manager and a DIMHRS steering committee that included representation from all services. Oversight by the DIMHRS program manager and the steering committee would ensure coordination measures were achieved. They would

also ensure all stakeholder interests and positions were heard and considered during program reviews and key program decisions.<sup>64</sup>

The second identified risk, Data Standardization/Conversion, is related to the transfer of accurate/standardized data from the current system to the new system. If inaccurate data were to be transferred to the new system, credibility would be lost causing frustration among all service personnel. It will also lead to numerous personnel and pay problems in addition to the numerous man hours necessary to correct these issues.

Data standardization has also created challenges among the services. With DIMHRS development, service cultures have no other option but to clash or, in the positive sense, get along and agree on common terms. This is a result of an integrated system requiring joint requirements and data that is standardized across all services and components. In addition, as a COTS system, services are expected to sacrifice long standing, established data terms in order to adopt the currently established COTS terms. These terms will establish a severe culture shift in the military—adopting more common terms used in the civilian sector. 65

The third of the top three risks includes End User Acceptance and maintaining senior leader sponsorship. <sup>66</sup> Failure to address this risk will equate to non-acceptance of the new system by the user and a lack of commitment held by senior leadership. Without the acceptance and support from these critical entities, implementation efforts will fail. One of the key challenges of End User Acceptance is tied to education and training for not only the Pay and Personnel Specialists, but every Soldier, Sailor, Airman and Marine. Each will require training in order to fulfill the transformation objective to

move toward increased member self service. Insufficient training and education will lead to failure. If service members are not properly trained, they will not use the system as it was intended. The complex stakeholder population creates a tremendous challenge and risk.

Maintaining senior leader sponsorship and support is absolutely critical. Although listed as the number three risk factor by the Army, ERP research experts from the Decision Sciences Institute have identified this area as the number one critical success factor related to ERP implementation projects.<sup>67</sup> Without senior leader commitment, involvement and vision, this will produce a trickle down effect to the lowest level of the services developing an environment destined for failure. A critical concern related to this risk was exposed in the GAO-05-189 report (DOD Systems Modernization, February 2005). This report disclosed the lack of responsibility, authority and accountability assigned to a single source for the DIMHRS project.<sup>68</sup> It noted the responsibility for DIMHRS was spread across three separate groups and neither of these groups met at any point below the Secretary and Deputy Secretary of Defense levels in the established chain of command. 69 The GAO report recommended DOD "create an accountability structure that can set expectations for stakeholders and hold them accountable." This led to the development of the DIMHRS Enterprise Program Management Office (EPMO) Charter. Under this charter, the EPMO accepts the approved requirements and integrates the recommendations of an O-8 Steering Committee in coordination with the Defense Business Systems Acquisition Executive (DBSAE).<sup>71</sup> The DBSAE is the Milestone Decision Authority for the DIMHRS program

and is responsible for the periodic reporting of the project's progress to the Defense Business Systems Management Committee (DBSMC).<sup>72</sup>

While these risk management strategies will reduce the development risk of DIMHRS if properly implemented, will it be enough to ensure success? Only a few of the perceived major challenges and risks involved with the entire project have been addressed in this report. There are also other factors which must be considered. Change Management will be an overarching component in the determination of DIMHRS success or failure due to the many service and cultural changes expected upon every member in the military.

### Recommendations

Based on the need for an all service, all reserve component integrated personnel/pay system combined with the comparison of the added benefits versus the challenges, there are several areas which must be addressed in order for DIMHRS to succeed. Beginning with program management, the established charter must be properly administered through the following actions. The DBSMC must ensure the DBSAE provides the appropriate oversight and program management to include implementation of established best practices and application of COTS software by the EPMO. The DBSAE must hold the EPMO accountable for working with and establishing the coordination between the services and the system developers in order to produce an effective system. The DBSAE must also ensure the EPMO governs the program by keeping it within the established schedule, within the established budget parameters by properly executing its mission to "develop, integrate, test, train and deploy clearly defined and approved requirements" for DIMHRS while providing the

leadership, from both the technical and managerial aspects, necessary to achieve success.

The second area that must be addressed is the Services' responsibilities, specifically, senior leadership sponsorship, particularly in the areas of service resistance and culture changes associated with this new system. Leadership involvement is vital to success. Related to any transformation effort and change, DOD and service leadership must project a positive outlook and make every effort to eliminate the associated service resistance and cultural biases associated with this DOD attempt to cover new ground with this first ever integrated system. Leadership must provide the backing necessary for their respective services to ensure the requirements are captured in the development process in order to accommodate the personnel and pay needs of their members. Leadership must also emphasize the importance of the added benefits for all service members and their families.

Consensus and data cleansing is the third area that must be considered among the services. They must set aside their differences and decide on the common data terms while providing the appropriate, cleansed data prior to the conversion. If this is not achieved, the system, no matter how perfect, will lose all credibility with not only the personnel operating the system but in the case of DIMHRS and its self service capabilities, it will lose credibility with every Soldier, Sailor, Airman and Marine. The services must also agree on an established, common terminology and accept the anticipated changes impacting their longstanding service cultures.

Lastly, EPMO in conjunction with the services must establish appropriate training, education and change management programs for their respective services and related

components. For example, the Army has established an aggressive implementation awareness campaign which includes numerous "spread the word" road shows, attendance at major conferences and the creation of an informative website depicting timelines, updates and change management guidance. Training programs for pay and personnel specialists, commanders and member level end users must be timely, as close to Initial Operational Capability (IOC) as possible, and provide the necessary tools for successful use of the system. Implementation of these programs should attempt to minimize disruption to all service members. Change management programs must be endorsed by all senior leadership and actively pursued. An understanding of the reasoning behind the development of DIMHRS must be relayed to the service member to include the numerous benefits to not only the service member, but to their families.

There are many risks associated with the development and implementation of DIMHRS. But, there are also many benefits associated with this new system.

Application of the measures listed above is a positive step towards the success of DIMHRS but is it enough? Is the development and implementation of DIMHRS the correct course of action for the military services? Based on the need for an integrated personnel/pay system for all services and components due to the long history of problems with personnel records and pay plus the need to support the joint commander and the ever changing needs of the service member and their families, DIMHRS is no longer an option, it is a necessity. Every effort should be attempted to ensure the success of this project. If successful, it will eliminate many problems on many different levels in the military and it will achieve the number one goal of DOD which is taking care of the service member and their families through a state of the art system.

### Conclusion

The U.S. military has experienced long standing personnel and pay system problems having a direct impact on DOD, the Services, Combatant Commanders and Service members and their families. After the Gulf War in 1991, these discrepancies were highlighted in a GAO report published in 1993. The GAO findings produced a recommendation leading to the development and implementation of the first fully integrated, all service, all reserve component personnel/pay system. DIMHRS is the solution to these historical problems and the system will provide many added benefits but there are also related challenges and risks associated with the development of what will be the world's largest human resources system.

If properly developed and implemented, the benefits of DIMHRS will eliminate many of the historical problems associated with personnel and pay systems currently in use today. The four key features, One Record of Service, Integrated System, Self-Service Functionality and Joint System Functionality will reduce these issues by providing standard data in one system used by all Services and their reserve components. It will reduce multiple data entries, system maintenance, pay discrepancies and reconciliations of personnel and pay information while also providing enhancements to the Combatant Commander necessary to achieve success in today's joint environment. However, these benefits must outweigh the costs in comparison to the challenges and risks associated with the development and implementation of the system.

The primary challenges covered, Service Resistance, ERP and COTS implementation, are but a few of the areas that must be monitored and resolved if DIMHRS is to be a success. Service Resistance is common when new programs are

implemented and there is no exception with DIMHRS. Uncertainties and doubt as to whether this new system would be able to execute the processes required by the Services existed. The uncertainties and doubt led to delays in development pushing back the implementation timeline. ERP and COTS issues are also major areas of concern.

The described risks and challenges must be resolved in order for this project to be deemed a success. The recommendation endorsing DIMHRS stems on the assumption that these risks will be eliminated along with the belief that the benefits outweigh the return on investment related to the risks involved. The Services, and more importantly, the Service members and their families, deserve to have the best support from the best systems.

### **Endnotes**

<sup>1</sup>Carlos Pair, "Department of Defense Business Transformation: It's on a Roll: Moving on an Aggressive Schedule, the Business Transformation Agency Is Determined to Succeed in Its Mission to Deliver the Best Support Ever to Its Customers," *Entrepreneur.com*, Winter 2007 [journal on-line]; available from http://www.entrepreneur.com/tradejournals/article/ 159963707\_2.html; Internet; accessed 31 December 2007.

<sup>2</sup>Martha Brant, "War Stories: Unhappy Holidays," *Newsweek.com*, 19 December 2003 [journal on-line]; available from http://www.newsweek.com/id/60451/page/2; Internet; accessed 31 December 2007.

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